

## Message Text

CONFIDENTIAL

PAGE 01 BELGRA 04350 090833Z  
ACTION EUR-03

INFO OCT-01 ISO-00 ONY-00 SSO-00 /004 W  
-----000702 100652Z /14

R 081530Z JUN 78  
FM AMEMBASSY BELGRADE  
TO SECSTATE WASHDC 6864

C O N F I D E N T I A L BELGRADE 4350

FOR EUR/EE ONLY - 3 COPIES ONLY

FOR ANDREWS FROM WORTZEL

E.O. 11652: GDS  
TAGS: OGEN  
SUBJECT: OFFICIAL-INFORMAL

1. WE SEE BY STATE 131430 THAT THE HARRIMANS WILL BE HERE THIS SUMMER. WOULD YOU PLEASE PASS WORD BY WHATEVER MEANS THAT THE EAGLEBURGERS INVITE THE HARRIMANS TO STAY AT THE RESIDENCE WHILE IN BELGRADE.

2. DARRYL WILL RECALL OUR HAVING PASSED HIM, SOME MONTHS AGO, AN ANALYSIS AND PROGNOSIS OF WHERE WE STAND ON DINAR BALANCES WHICH INDICATED WE WOULD SOON RUN OUT. WE SUGGESTED THIS BE CHECKED WITH TREASURY, SINCE OUR INFORMATION MAY NOT BE COMPLETE. WE HAVE NOW DONE AN UP-DATE WHICH CONFIRMS OUR EARLIER JUDGMENT. IT INDICATES THAT, BY SEPTEMBER OF THIS YEAR, WE WILL HAVE A NET DINAR DEFICIT, WITH EXISTING DINAR BALANCES ALREADY DOWN TO ABOUT TWO MONTHS' AVERAGE REQUIREMENTS. SINCE THIS WOULD SOON FORCE US TO BUY DINARS UNLESS EXPENDITURES (NOW 29 MILLION DINARS MONTHLY) ARE REDUCED, WE WILL SOON NEED INSTRUCTIONS FROM TREASURY, AS WELL AS AN INDICATION OF WHAT OTHER IMPACT THIS NEW SITUATION MAY HAVE ON USG USE OF DINARS. PLEASE LET ME KNOW IF THERE IS SOMETHING WE SHOULD DO FRONT CHANNEL.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BELGRA 04350 090833Z

3. MARKOVIC VISIT: THANKS FOR THE CLARFICATION ON WHO WAS DOING--OR, MOSTLY, NOT DOING--WHAT IN PREPARING FOR THE VISIT. WITH YOUR 144560/1 IN HAND, WE WILL CHECK OUT THE ITINERARY AND GET BACK TO YOU SOON, WE HOPE. BELOVSKI, WHO IS FOLLOWING UP HERE, HAS JUST TOLD US, BY THE WAY, THAT MARKOVIC WILL ARRIVE JULY 16 AND LEAVE JULY 22.

4. I APPRECIATE YOUR COMMENTS ON THE QUESTION OF ALIM AND MAGUIRE, AND TRUST THAT WE WILL END UP ON THE SAME WAVELENGTH. TO BE SURE WE DO, LET ME ADD TWO QUICK POINTS TO THE DIALOGUE. FIRST, OUR TRUSTING YOU FELLOWS TO PROTECT OUR INTERESTS NEVER CAME INTO QUESTION AND SURELY WILL NOT. SECOND, THE ISSUE WHICH I THOUGHT I WAS RAISING WAS HARDLY THAT, BUT THE MORE BASIC AND GENERAL ONE OF THE PRIVACY OF OUR COMMUNICATION. I REALIZE, OF COURSE, THAT THIS IS AN ISSUE ON WHICH VIEWS DIFFER AND FEELINGS ARE STRONG. AT THE SAME TIME, I BELIEVE YOU KNOW THAT ALL OF US--AND CERTAINLY THE AMBASSADOR AMONG US--HAVE REASON TO FEEL STRONGLY ABOUT IT. OK.

5. YOU ASKED FOR CASES WHICH SUPPORT THE ARGUMENT THAT OUR EXPORT LICENSING PRACTICES ARE COSTING US EXPORTS. WITHOUT EXTENSIVE RESEARCH (AND MAYBE EVEN WITH IT) IT WOULD BE DIFFICULT TO DOCUMENT SPECIFIC DEALS WHICH HAVE FOUNDERED SPECIFICALLY ON THOSE GROUNDS. A RECENT ONE WHICH COMES CLOSE IS THAT OF INSTITUT MIHAILO PUPIN, WHICH WANTED TO LICENSE A LARGE NUMBER OF US-ORIGIN COMPONENTS FOR A HYBRID COMPUTER THEY ARE DEVELOPING FOR THE GDR. (I AM POUCHING A MEMO ON THIS ONE.) MORE COMMONLY, WE ARE TOLD THAT YUGOSLAV OUTFITS HAVE HAD TO TURN ELSEWHERE FOR PRODUCTS BECAUSE OF UNACCEPTABLE DELAYS OR BECAUSE THEY UNDERSTOOD THEY COULD NOT GET LICENSES. RIGHT OR NOT, THIS IS WHAT THEY ARE LED TO BELIEVE.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BELGRA 04350 090833Z

6. I WILL PASS WORD FOR BOB BRAGDON IN OUR NEXT O-I.

7. WOULD DARRYL PLEASE CALL RAY LEATHERMAN AND ASK HIM TO BRING BACK FOR THE AMBASSADOR ABOUT 60 EYE HOOKS FOR PICTURES AS WELL AS WIRE TO HANG THE PICTURES. HIS TELEPHONE NUMBER IS 439-4258. (HE IS TAKING THE PANAM FLIGHT FROM DULLES TO BELGRADE ON SATURDAY, JUNE 10.)  
EAGLEBURGER

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NNN

## Message Attributes

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**Current Classification:** UNCLASSIFIED  
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**Decaption Date:** 20 Mar 2014  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
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**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
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